



# SUPPLIER READINESS SERIES



# AGENDA

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- Introduction/Update
- Manufacturing Industry Trends
- Statewide Resources and Support
- Foxconn Vendor Readiness Program
- Q/A

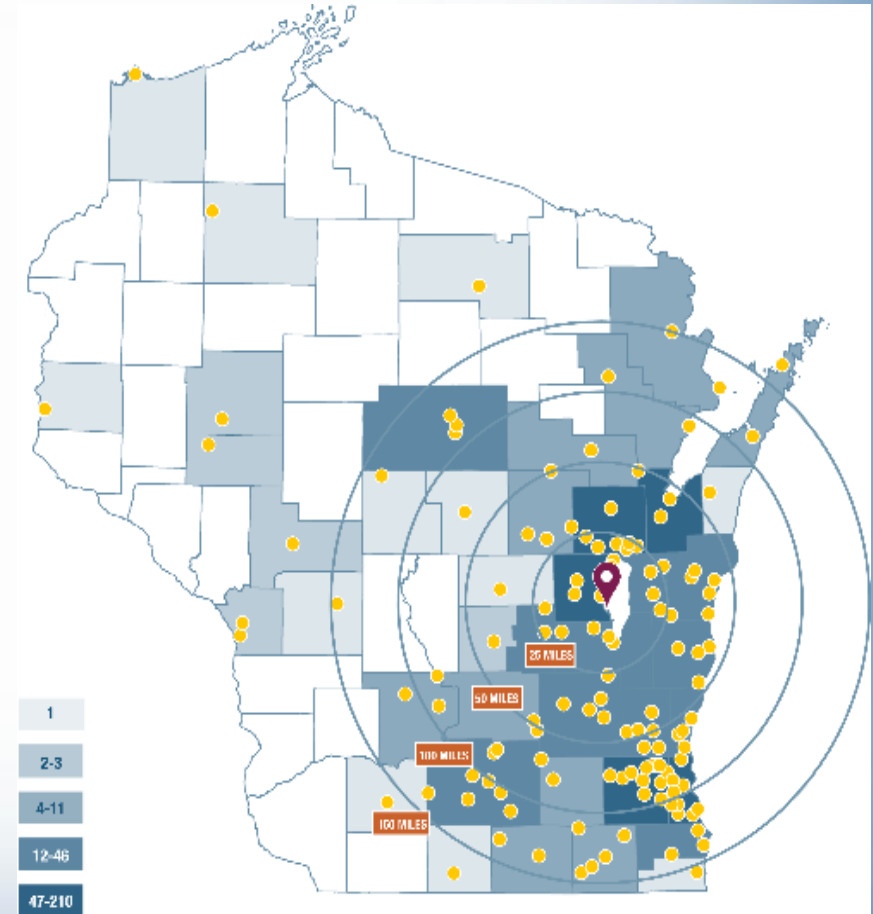
# HISTORIC OPPORTUNITY

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- Strong Economy
- Talented Workforce
- Manufacturing Leadership
- Best-in-Class Collaboration
- Emerging Technologies/I4.0
- Foxconn Catalyst/New Industry

# SUPPLY CHAIN OPPORTUNITY

- Foxconn intends to spend **\$1.4 billion** in annual supplier purchases from Wisconsin Companies
- In 2015, Oshkosh Corporation made nearly **\$300 million** in purchases from more than **700** companies in **140 communities** throughout Wisconsin

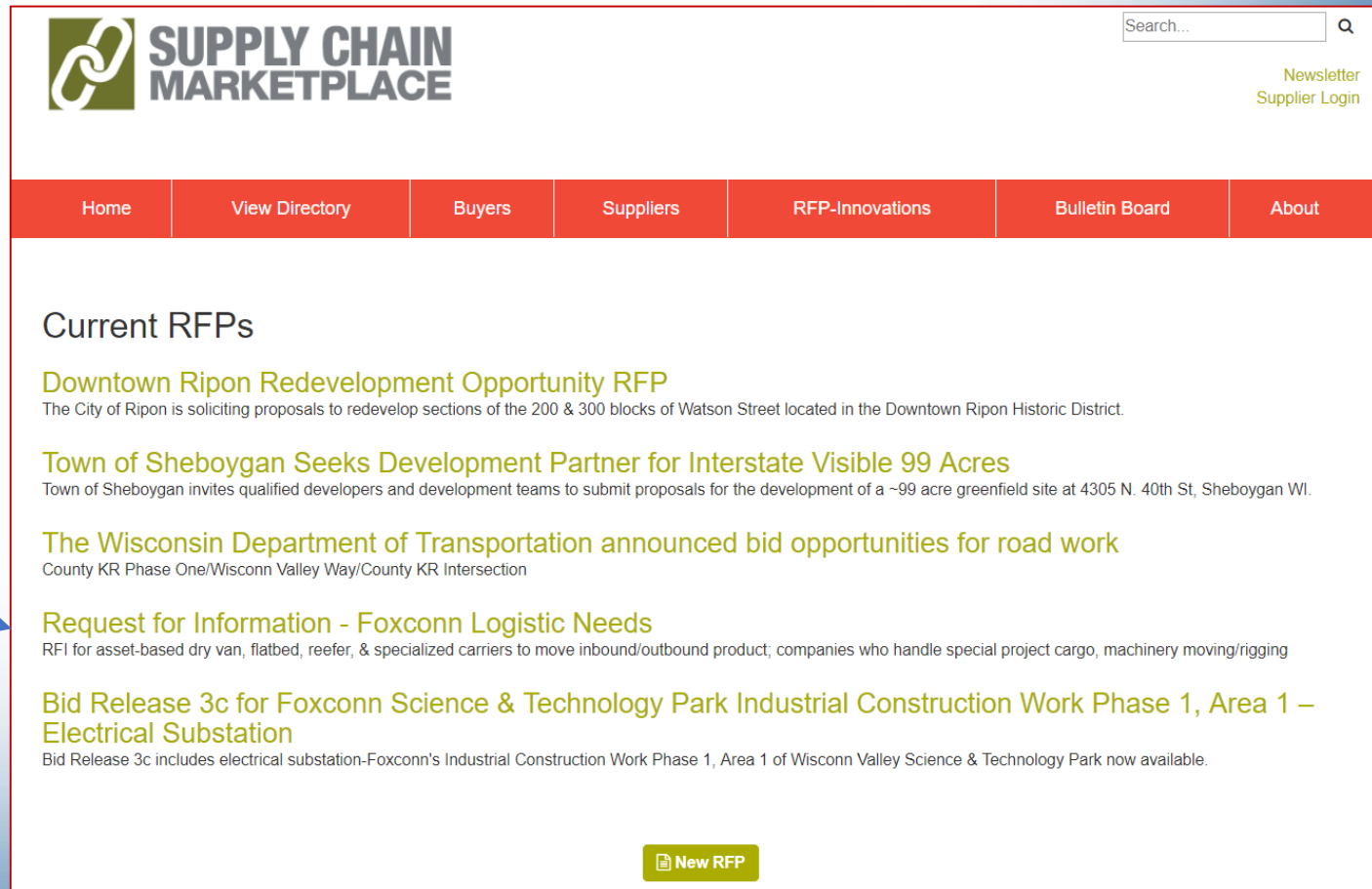


# SUPPLY CHAIN MARKETPLACE

- Over 1,900 profiles
- 45+ categories
- RFP postings with email alerts
- Newsletter updates


**“...the Supply Chain Marketplace is a great avenue to find Wisconsin companies that are able to provide the goods and services needed for this project,”**  
**Brian Jackson, Director of Surface Transportation**  
**JUSDA USA**

**wisupplychainmarketplace.com**



The screenshot displays the homepage of the Supply Chain Marketplace website. At the top, there is a navigation bar with a search bar on the right and links for Newsletter, Supplier Login, Home, View Directory, Buyers, Suppliers, RFP-Innovations, Bulletin Board, and About. The main content area is titled "Current RFPs" and lists five active requests for proposals. A blue arrow points from the quote in the left sidebar to the "Request for Information - Foxconn Logistic Needs" listing.

**SUPPLY CHAIN MARKETPLACE**

Search... 

[Newsletter](#)  
[Supplier Login](#)

[Home](#) [View Directory](#) [Buyers](#) [Suppliers](#) [RFP-Innovations](#) [Bulletin Board](#) [About](#)

### Current RFPs


**Downtown Ripon Redevelopment Opportunity RFP**  
The City of Ripon is soliciting proposals to redevelop sections of the 200 & 300 blocks of Watson Street located in the Downtown Ripon Historic District.

**Town of Sheboygan Seeks Development Partner for Interstate Visible 99 Acres**  
Town of Sheboygan invites qualified developers and development teams to submit proposals for the development of a ~99 acre greenfield site at 4305 N. 40th St, Sheboygan WI.

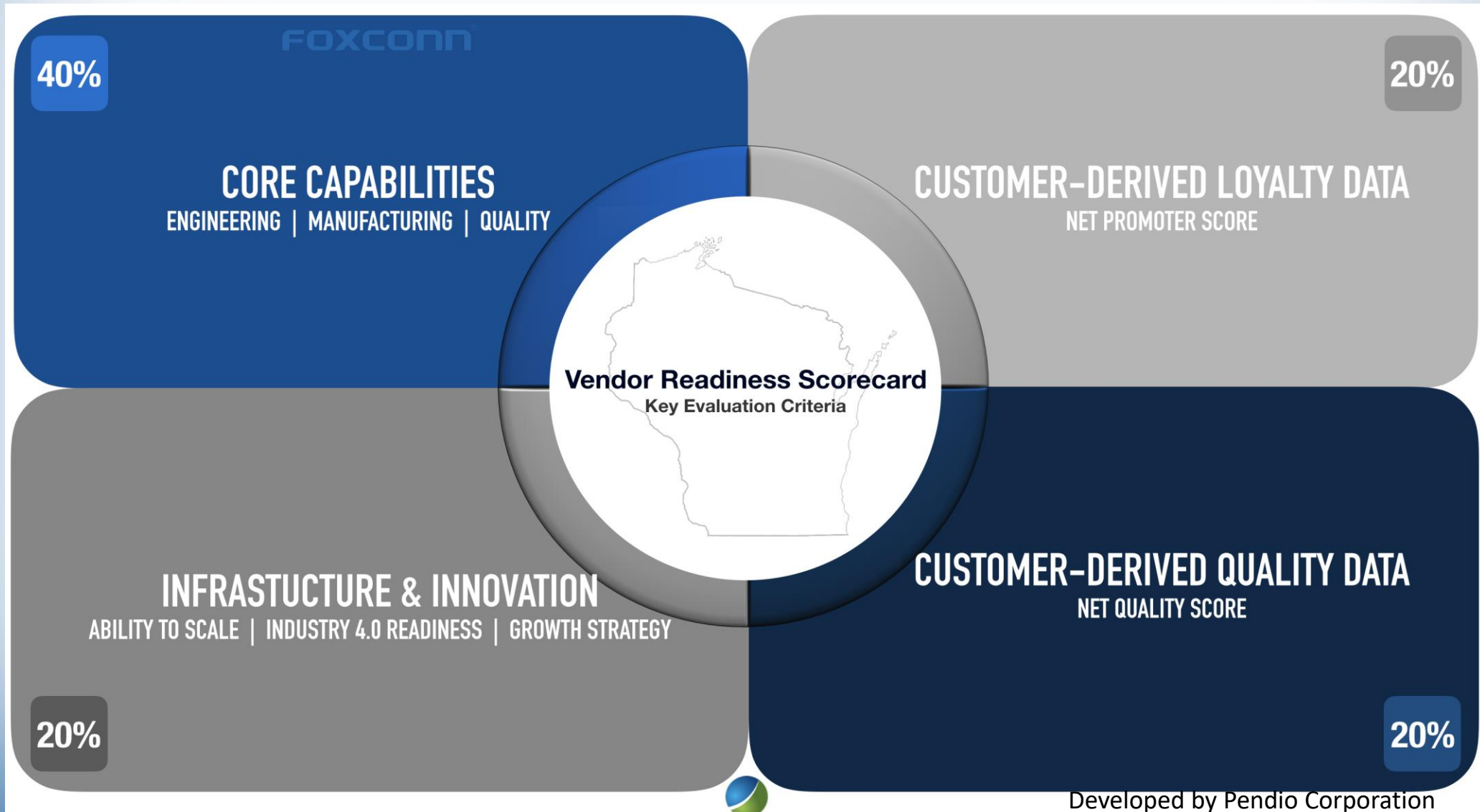
**The Wisconsin Department of Transportation announced bid opportunities for road work**  
County KR Phase One/Wisconsin Valley Way/County KR Intersection

**Request for Information - Foxconn Logistic Needs**  
RFI for asset-based dry van, flatbed, reefer, & specialized carriers to move inbound/outbound product; companies who handle special project cargo, machinery moving/rigging

**Bid Release 3c for Foxconn Science & Technology Park Industrial Construction Work Phase 1, Area 1 – Electrical Substation**  
Bid Release 3c includes electrical substation-Foxconn's Industrial Construction Work Phase 1, Area 1 of Wisconsin Valley Science & Technology Park now available.

 **New RFP**

# FOXCONN SUPPLIER SCORECARD



# KEY CRITERIA

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40%

## CORE CAPABILITIES

ENGINEERING | MANUFACTURING | QUALITY

- Engineering
- Manufacturing
- Quality Control
- Trained workforce
- Certifications: ISO-9001 and/or ISO/TS 16949

(being replaced by IATF 16949 )



# KEY CRITERIA

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Measures the **willingness of customers to recommend** a company's products or services to others. Used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.



Customer survey to establish quality score across measures similar to criteria used for NPS (detractor, promoter, and neutral) but specific to product or service to evaluate quality satisfaction.



# KEY CRITERIA

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## INFRASTRUCTURE & INNOVATION

ABILITY TO SCALE | INDUSTRY 4.0 READINESS | GROWTH STRATEGY

20%

- Ability to scale
- Partnership Mindset
- Strategy for growth
- Digital readiness and I4.0

# FOXCONN SUPPLY CHAIN PROCESS

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- Register on Supply Chain Marketplace ([wisupplychainmarketplace.com](http://wisupplychainmarketplace.com)) to connect to Supplier Readiness Program that qualifies and introduces suppliers to Foxconn
- Supply chain process is evolving, with procurement needs and dates continuing to be established
- Foxconn groups continue to identify needs, with different manufacturing categories being evaluated
- Qualification Evaluation avg timeframe: 30 days

**FOXCONN...OR NOT  
ARE YOU READY TO COMPETE?**

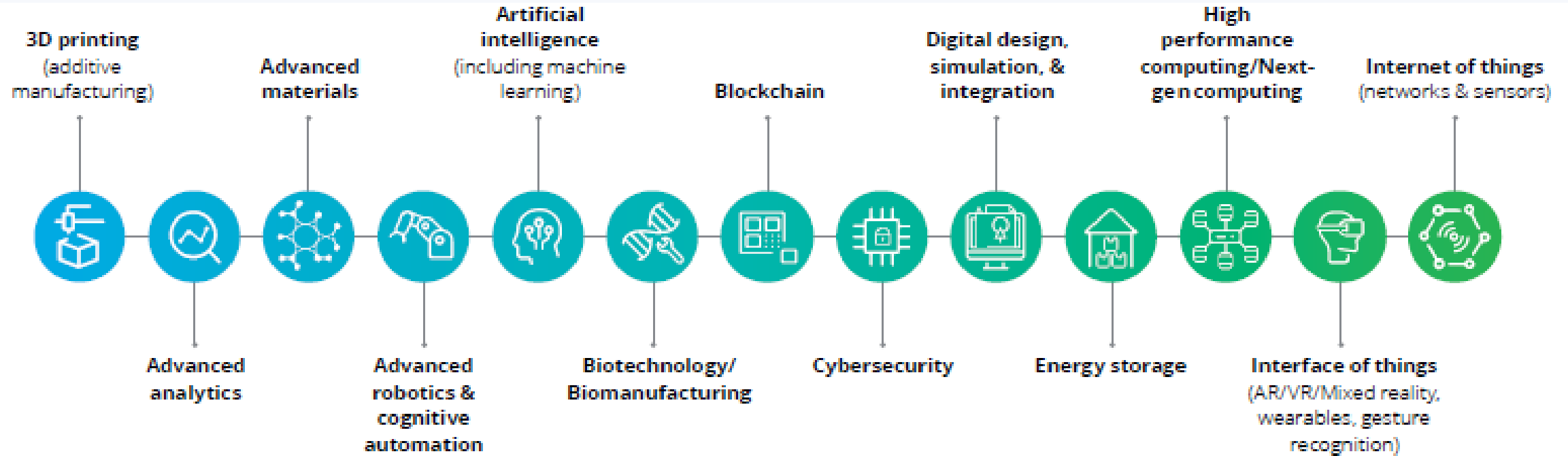
# OPPORTUNITIES FOR GROWTH

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# WHICH DEVELOPING TECHNOLOGIES MATTER?



Source: Deloitte analysis

# DISCONNECT

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*Nearly 90 percent of manufacturers anticipate that digital trends will disrupt their industries to a greater or moderate extent*

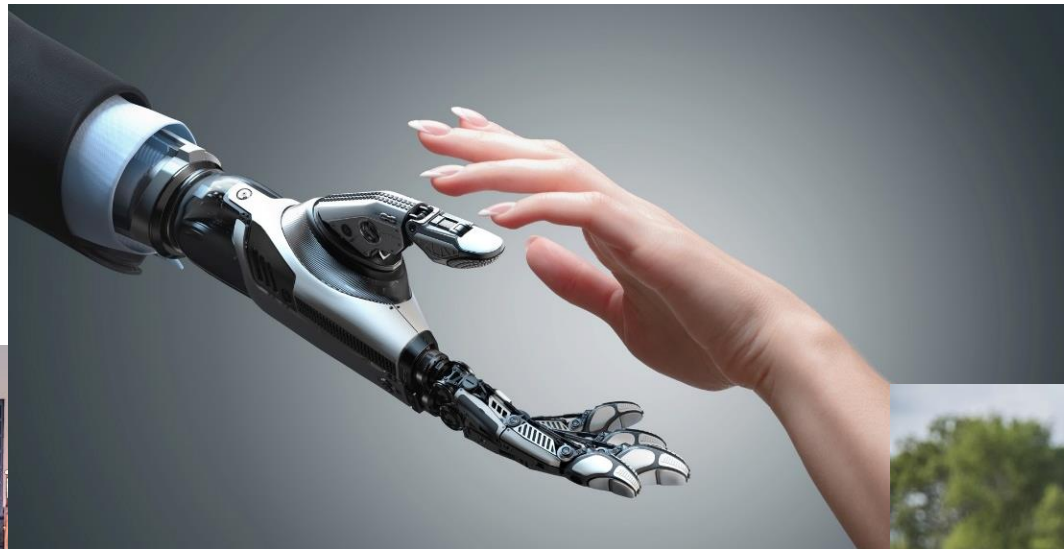
**Yet only 44 percent of respondents say their organizations are adequately preparing for the disruptions to come**

*Deloitte and MIT Global Survey*

# IMMEDIATE TRANSFORMATIONAL MANUFACTURING TRENDS

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- Additive Manufacturing
- Automation
- Industrial IoT









# SKILLS GAP

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- More than 90% of employers expect their organization to be impacted by digitization in the next two years
- Talent planning cycles are shorter than ever and 65% of the jobs Gen Z will perform do not even exist yet

Source: Skills Revolution Report, Manpower

*On average, by 2020, more than a third of the desired core skill sets of most occupations will be comprised of skills that are not yet considered crucial to the job today.*

*World Economic Forum*

# BODY GAP

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# MOVING FORWARD

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## TRENDS

- Cybersecurity
- Body Gap/Automation
- Industry 4.0
- Supply Chain
- Day-to-Day Operations

## RESOURCES

- NIST Cybersecurity Framework
- TPI
- Industry Partners
- Supply Chain Marketplace
- Manufacturing Partner Network



# CYBERSECURITY: TWO LANES

## PICK ONE...NOW!

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- Engage a guide
- Take Basic Precautions
  - Install a Firewall
  - Run current software
  - Use Multifactor Authentication
  - Train Employees
- Assess Other Exposures

# IMPROVING PRODUCTIVITY

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- Efficiency of workers
- Investing in new equipment
- Developing new technologies
- Improving supply chain management
- Transforming production processes
- Mining data for operational trends



# TRANSFORMATIONAL PRODUCTIVITY

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- Increasing productivity boosts Wisconsin's economy and keeps manufacturers globally competitive
- Emphasis is on multifactor productivity, composite measure of capital, labor and material inputs

**GOAL**  
**30%**



**Transformational Productivity Initiative**  
aims to increase productivity by at least  
30 percent at the company level

# HOW TO GET THERE

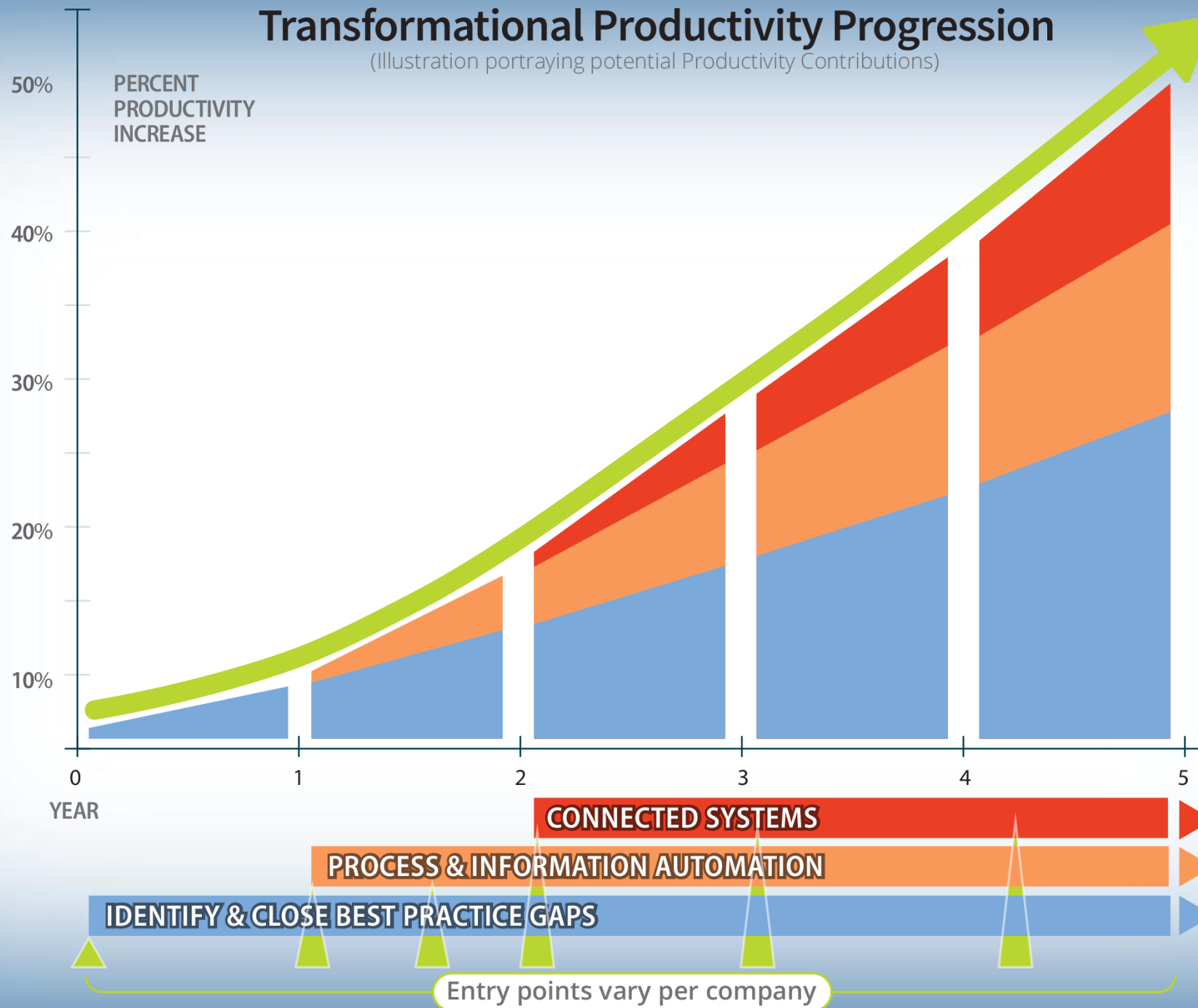
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- Complete TPI best-in-class comparative of 5 key factors to establish baseline
- Identify and quantify performance gaps
- Prioritize and plan projects
- Organize and coordinate resources; initiate projects
- Complete projects
- Review outcomes; rinse and repeat



# Transformational Productivity Progression

(Illustration portraying potential Productivity Contributions)



# INITIAL FINDINGS

Pilot outcomes validate World Manufacturing Survey, MOPS and McKinsey Institute research

1. Larger companies tend to be more productive
2. Management (Operational Practices) matter
3. Three quarters of productivity improvements will come from broader adoption of leading practices

Pilot	FTE's	MOPS	Estimated % Productivity Improvement	Score 1 (low) to 5 (high)					
				Human Capital	Growth	Leadership	Operations Excellence	Technology	Average
A	60	0.47	38%	3.3	3.3	2.3	1.5	2.2	2.5
B	> 500	0.69	9%	4.0	3.3	3.2	3.5	3.7	3.5
C	154	0.41	51%	3.8	3.2	1.8	2.5	3.6	3.0
D	70	0.59	27%	3.4	2.9	2.0	2.1	1.8	2.4
Average	196	0.54	31%	3.6	3.2	2.3	2.4	2.8	2.9

# FACTOR RANK ORDER OF IMPORTANCE

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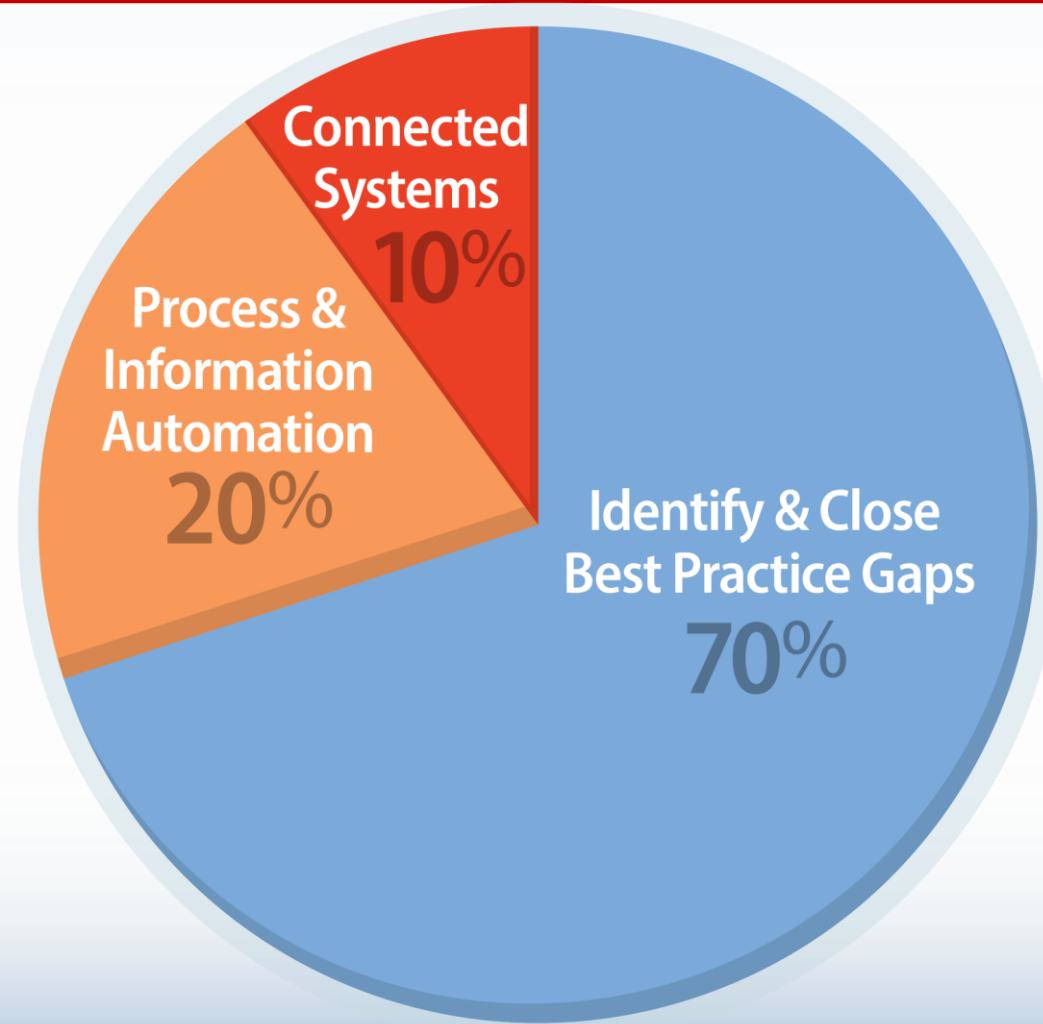
1. Leadership (Management Practices)
2. Operational Excellence
3. Technology
4. Growth
5. Human Capital

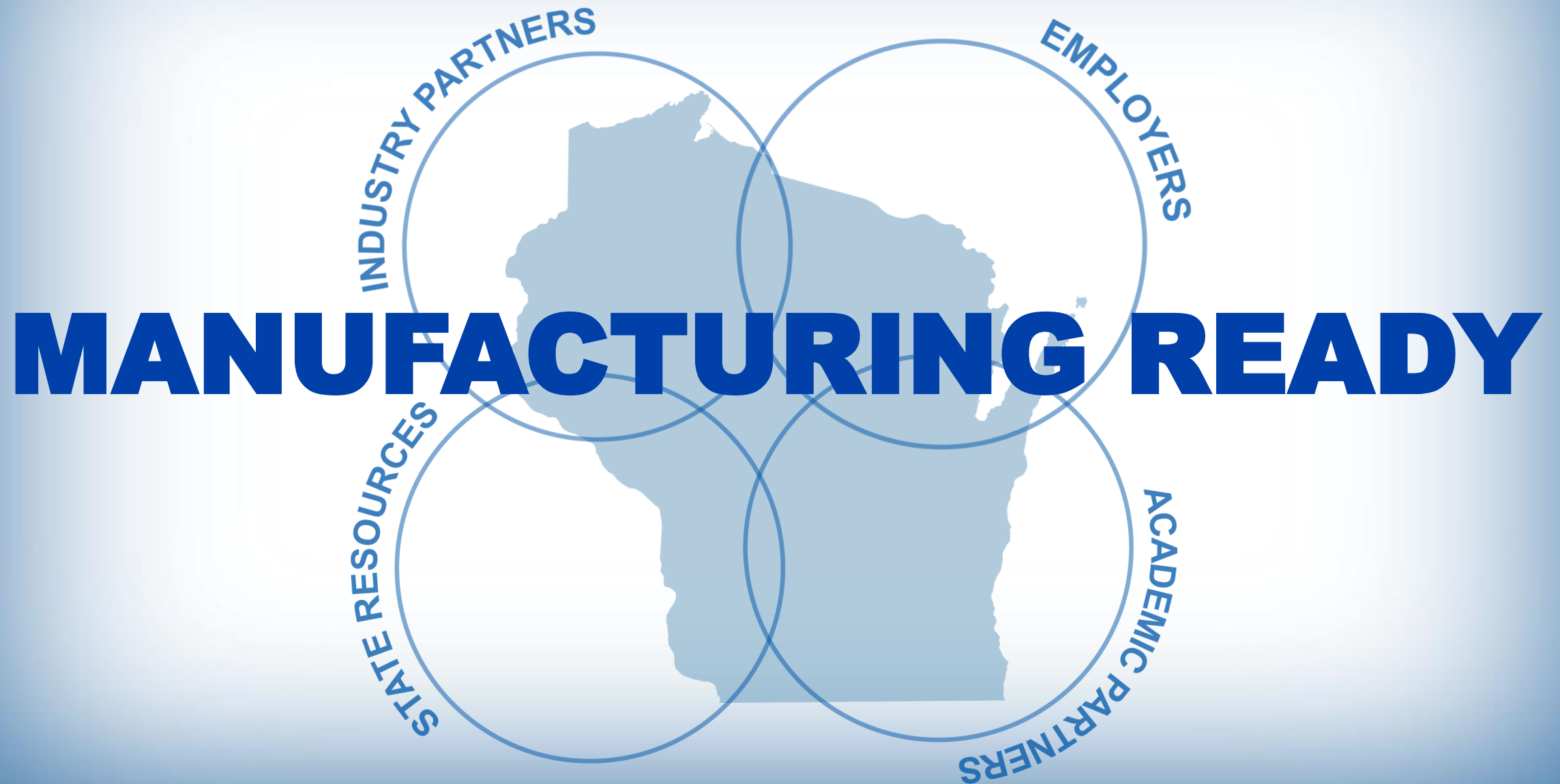
➤ Leadership, Operational Excellence and Technology most critical to improving productivity @ pilot firms

# PHASES OF TRANSFORMATION

## % of EFFORT

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# LEADERSHIP + COLLABORATION + SUPPORT

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# LEADERSHIP + COLLABORATION + SUPPORT

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# LEADERSHIP + COLLABORATION + SUPPORT



## MINORITY CHAMBERS

- African American Chamber of Commerce
- American Indian Chamber of Commerce
- Hispanic Chamber of Commerce
- Hmong Wisconsin Chamber of Commerce



# UNPRECEDENTED COLLABORATION

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The **Green Bay Packers** and **Microsoft Corp.** announced the launch of **TitletownTech**, a one-of-a kind partnership between the two organizations aimed at boosting economic expansion in Wisconsin's Fox River Valley and beyond by bringing world-class digital innovations and expertise to Green Bay.

Throughout 33 northwestern Wisconsin counties, **UW-Stout's Manufacturing Outreach Center** offers process improvement, workforce training, and tech implementation. As part of the **UW-Stout Discovery Center**, 2017 impact resulted in clients' sales, cost savings, and investments totaling approx. **\$36M.**

Inspired by discussions with executives at **Rockwell Automation** and **Microsoft**, **UWM** has established the **Connected Systems Institute (CSI)** where researchers and industry partners conduct advanced research related to digital manufacturing and prepare a skilled workforce.

# SUPPLY CHAIN WORKGROUP

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- Industry, academia and regional EDO representation
- Objectives
  - Develop supply chain engagement process to optimize attraction opportunities for Wisconsin SMMs
  - Enhance Supply Chain Marketplace to increase participation
  - Collaborate with OEMs to guide evaluation criteria and elevate industry global competitiveness

# DEVELOP YOUR I4.0 NARRATIVE

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## ▪ Next Day

- Assess your **Supply Chain operations**, sourcing, customer service, logistics
- **Contact available resources** to help you address productivity, security and baseline analysis
- Develop a **training plan** leveraging academic partners

# DEVELOP YOUR I4.0 NARRATIVE

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- **Next 90 Days**

- Define “**supply chain transparency**” for your organization
- **Survey customers** to learn where they’re heading to help inform your roadmap
- Determine your **baseline and gaps**



# DEVELOP YOUR I4.0 NARRATIVE

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## ▪ Next Year

- **Conduct cost/benefit** analysis of data and connected systems in your operations
- Identify **replicable use case scenarios** and best practices
- **Redesign** process and services to address pain points

# STATEWIDE SUPPORT – REACH OUT

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## WEDC

Resources, programs and partner information related to Wisconsin economic development

<https://wedc.org/>

## WMC

State chamber of commerce, the state manufacturers' association and the state safety council

<https://www.wmc.org/>

## WMEP

Resources to help small and midsize manufacturers compete

<https://www.wmep.org/>

## UW-MOC

Resources to help small and midsize manufacturers compete

<https://www.uwstout.edu/directory/manufacturing-outreach-center>

## SUPPLY CHAIN MARKETPLACE

Online supply chain directory connects suppliers and OEMs

<http://www.wisupplychainmarketplace.com>

## WISCONN VALLEY NEWS

Newsletter on project status, road updates, Foxconn news, bid alerts

<https://wisconnvalley.wi.gov/newsletter>

## M+W GILBANE CONSTRUCTION

Notifications for construction bid releases

<https://Foxconn-construction.gilbaneco.com>

## PUBLIC INFRASTRUCTURE

Email notifications when public infrastructure bids are advertised

[https://wisconnvalley.wi.gov/Pages/public\\_construction\\_info\\_signup.aspx](https://wisconnvalley.wi.gov/Pages/public_construction_info_signup.aspx)